



**JOHN CHIANG**  
**California State Controller**

November 18, 2013

Mark Cowin, Director  
Department of Water Resources  
1416 Ninth Street, Room 1115-1  
Sacramento, CA 95814

Dear Mr. Cowin:

The State Controller's Office reviewed claims submitted by the City of Santa Cruz under the Flood Control Subventions Program. Our review objective was to determine whether the costs claimed as presented in the attached Summary of Project Costs are allowable and in compliance with the California Department of Water Resources' Guidelines for State Reimbursement on Flood Control Projects. Our review was limited to validating consultant costs.

The city claimed costs of \$41,486 for the San Lorenzo River Flood Control project for the period of September 1, 2010, through August 28, 2011. Our review found that the entire amount is allowable.

If you have any questions, please contact Steven Mar, Chief, Local Government Audits Bureau, by phone at (916) 324-7226.

Sincerely,

*Original signed by*

**JEFFREY V. BROWNFIELD, CPA**  
Chief, Division of Audits

JVB/kw

Attachment:  
Attachment 1—Summary of Project Costs

cc: Nahidah Madankar, Chief  
Flood Control Subventions Program  
Division of Flood Management  
Department of Water Resources

Martin Bernal, City Manager

City of Santa Cruz

Joe Hall, Project Manager

Economic Development and Redevelopment Department

City of Santa Cruz

RE: S14-FLC-900

**Attachment 1—  
Summary of Project Costs  
September 1, 2010, through August 28, 2011**

Project/ DWR Claim Number/District Claim Number	District Claim Number	Costs Claimed	Allowable Per Audit	Review Adjustments	State Share of Eligibility Percentage <sup>1</sup>	State Share of Allowable Costs <sup>1</sup>
San Lorenzo River Flood Control Project SLOR2011-01/24	SLOR2011-01	\$ 41,486	\$ 41,486	\$ —	70%	\$ 29,040
Totals		\$ 41,486	\$ 41,486	\$ —	70%	\$ 29,040

<sup>1</sup> The state share of allowable project costs represents the percentage of state funding, as stipulated in the California Water Code, for each project cost category.